

QUESTION: What are the requirements for participating in the Shared-Work Program?

ANSWER: To participate in a Shared-Work Program, you must submit a written and signed Shared-Work Plan to the Employment Security Department. The department will approve a Shared-Work Plan if:

1. Affected employees on the plan are hired on a permanent basis;
2. You have no corporate officers applying to participate in the program;
3. The plan identifies participating employees with names, Social Security numbers and other information required by Employment Security;
4. The usual work hours for each participating employee are reduced by not less than 10 or more than 50 percent;
5. You certify that you will pay participating employees health benefits, retirement benefits and vacation, holiday and sick leave under the same terms and conditions as before their hours were reduced. The same conditions for these benefits (including possible reductions) will apply to employees in the plan and not in the plan;
6. You certify that the total work hours reduced for each participating employee are in lieu of layoffs, which would have resulted in the same number of work hours reduced;
7. The collective bargaining agent for each participating employee covered by a collective bargaining agreement has approved the plan in writing;
8. You agree not to subsidize seasonal employees during the off season;
9. You agree to furnish Employment Security with any necessary reports before and during application of the plan;
10. The plan includes an estimate of the number of employees who would have been laid off if your company did not participate in the Shared-Work Program;
11. The plan includes a strategy to give advance notice – when feasible – to employees prior to reducing their usual work hours. If it's not feasible, the plan must explain why not; and
12. You must attest that participation in the program is consistent with your obligations under federal and state law.

QUESTION: Your application form says you must “attest that participation in the Shared-Work Program is consistent with employer obligations under federal and state law.” What does this mean?

ANSWER: It means you must meet the following criteria to be eligible for the Shared-Work Program with the Employment Security Department:

1. You must be a legally registered business in Washington for at least 180 days;
2. You must have both an ESD (Employment Security) number and a UBI (Unified Business Identifier) number;
3. You must have a minimum of at least two permanent employees who are enrolled in the Shared Work Plan;
4. Your unemployment taxes must be paid or you must arrange for payment and be current with payments on a deferred payment contract (DPC);
5. You cannot be defined as a non-qualified employer – an employer who has filed “no payroll” reports for four consecutive quarters;
6. You must be registered and in good standing with the Washington State departments of Labor & Industries, Revenue and Licensing;
7. You must be in compliance with all U.S. Internal Revenue Service filing and tax payment requirements;
8. You must be current with all requirements of other state, local and special taxing jurisdictions; and
9. Your affected employees are paid in a way that can be converted to hourly wages.